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FROM: _____
BY: _____

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TEL. 4821
OCT. 26

CIRC. TO CONSULS

Minister
~~T. C. ...~~
C.I. ...

TELEGRAM RECEIVED

From: Department Date: October 16, 2 p.m., 1942
No.: 2376
Code: Secret Received: October 17, 9 a.m.

PARAPHRASE

TRIPLE PRIORITY

It is the belief of the Treasury that nationals of the Axis countries, or persons controlled by the Axis countries, may, either voluntarily or because of duress, be selling their interests in accounts blocked in the United States to Swiss purchasers. As the result of such sales, Swiss francs would become available to the Axis. The Treasury accordingly wishes to tighten its controls so as to withdraw General License No. 50 from all transactions in existing private Swiss accounts until the Treasury has:

- (1) satisfactory evidence establishing:
 - (a) the identity of the true owners of the accounts on the effective date of Executive Order No. 8389 and
 - (b) that no unlicensed transfer of any interest in the property has occurred since that effective date; and
- (2) complete information regarding all persons with an interest in the property on or since the effective date of the order.

Accounts in the name of the Swiss Government and the Banque Nationale Suisse and accounts established in the future as a result of Swiss exports to the United States or the general licensed trade area would, however, not be affected.

The Department desires to receive from you, as promptly as possible, all available information on:

- (a) The volume of transfers of blocked accounts by nationals of other countries to Swiss nationals;
- (b) The volume of such transfers from one Swiss national to another;
- (c) Whether under existing ~~law~~ Swiss law or banking arrangements sales in Switzerland of interests in

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GENERAL INVESTIGATION CONTROL

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accounts blocked in the United States are prohibited.

The Department does not (repeat not) desire you to consult the Swiss Government with respect to the proposal of the Treasury and wishes you to keep the entire matter in the strictest confidence.

WELLES ACTING

/nrm